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Dun's Review

A Weekly Survey of Business Conditions in the United States & Canada
Established 1893

Volume 39

No. 1970



Saturday, June 27, 1931

Estimate of 1931 Cotton Acreage

By W. A. Crane

Half-Yearly Review of Grocery Trade

Reported by Dun Corporation

Improvement Appears in Cotton Goods

Departments

GENERAL BUSINESS CONDITIONS

MONEY

METALS

FOREIGN EXCHANGE

CREDITS

TEXTILES

SECURITIES

COLLECTIONS

GRAINS

COMMODITY PRICES

Published by

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The Mercantile Agency

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New York City

Minimum Quoted Prices at New York, unless otherwise specified

WHOLESALE QUOTATIONS OF COMMODITIES

Corrected each week to Friday

ARTICLE	This Week	Last Year	ARTICLE	This Week	Last Year	ARTICLE	This Week	Last Year
BEANS: Pea, choice...100 lb	7.00	7.00	Indigo, Madras.....lb	1.25	1.25	Lard, extra, Winter st....lb	8.30	11
Red kidney, choice....."	7.00	11.00	Prussiate potash, yellow..."	18 1/2	18 1/2	Linseed, city raw, carlots..."	8.30	14.0
White kidney, choice....."	6.00	9.75				Neatsfoot, pure....."	10 1/2	13
BUILDING MATERIAL:			FERTILIZERS:			Rosin, first run.....gal	52	61
Brick, N. Y. delivered.....1000	1.60	2.60	Bones, ground, steamed, 1 1/4% am., 80% bone	25.00	28.50	Soya-Bean, tank, cars, M. W. lb	6.0	9 1/2
Portland Cement, N. Y. Trk. loads, delivered.....bbl	1.60	2.60	phosphate, Chicago.....ton	37.15	37.15	Petroleum, Pa., cr., at well...bbl	1.37	2.075
Chicago, carloads....."	1.60	2.60	Muriate potash 80%....."	2.05	2.07	Kerosene, wagon delivery...gal	17	15
Philadelphia, carloads....."	1.60	2.60	Nitrate soda.....100 lbs	1.60	2.00	Gas & auto in gar., at bbls..."	13.3	14.3
Lath, Eastern spruce.....100	3.65	4.50	Sulphate ammonia, domestic, delivered....."	48.25	48.25	Wax, ref. 125 m. p....."	3 1/2	3 3/4
Lime, hyd., mason's, N. Y. ton	14.00	14.00	FLOUR: Spring Pat.....196 lbs	4.40	5.15	PAINTS: Litharge, com'l.....lb	13 1/4	7 1/2
Shingles, Cyp. Fr. No. 1.....1000	10.00	13.00	Winter, Soft Straights....."	3.90	4.50	Red Lead, dry.....100 lbs	13 1/4	8 3/4
Red Cedar, Clear, rail....."	3.51	3.96	Fancy Minn. Family....."	5.65	6.55	White Lead in Paste.....lb	13 1/4	13 3/4
BURLAP, 10 1/2-oz. 40-in.....yd	5.20	6.10	GRAIN: Wheat, No. 2 R.....bu	94 1/2	112 1/2	" dry....."	13 1/4	7 1/2
8-oz. 40-in....."	4.10	4.80	Corn, No. 2 yellow....."	71 1/2	82 3/4	Zinc, American....."	6 1/2	6 1/4
COAL: f.o.b. Mines.....ton			Oats, No. 3 white....."	35 1/2	40 1/2	" F. P. R. S....."	9 1/2	9 1/2
Bituminous....."	2.15	2.10	Rye, No. 2, F.O.B....."	44 1/2	44 1/2	PAPER: Newsroll, Contract	57.00	62.00
Navy Standard....."	1.25	1.25	Barley, malting....."	52 1/2	63	Book, S. & S. C.....lb	5 1/2	6
Anthracite, Company....."	7.40	8.70	Hay, No. 1.....100 lbs	1.20	1.40	Writing, tub-sized....."	10	10
Store.....ton	7.15	8.10	HEMP: Midway, Fair Current.....lb	5 1/2	10	No. 1 Kraft....."	4 1/2	5 1/2
Egg....."	7.40	8.20	HIDES: Chicago:			Sulphate, Dom. Bl.....100 lbs	2.25	3.00
Nut....."	5.15	4.40	Packer, No. 1 native.....lb	10	15	Old Paper No. 1 Mix....."	15	20
COFFEE, No. 7 Rio.....lb	6 1/2	9	No. 1 Texas....."	110	14 1/2	PEAS: Yellow split, dom.....100 lbs	4.00	5.50
" Santos No. 4....."	9 1/2	13	Colorado....."	10 1/2	14	PLATINUM	38.00	54.00
COTTON GOODS:			Cows, heavy native....."	9	13	PROVISIONS, Chicago:		
Brown sheetings, standard...yd	6 1/2	10 1/4	Branded Cows....."	9	12 1/2	Beef Steers, best fat.....100 lbs	8.25	12.50
White sheetings, 10-4....."	46	56	No. 1 buff hides....."	6 1/2	9 1/2	Hogs, 220-250 lb. w'ts....."	7.00	9.10
Bleached sheetings, stand..."	13 1/2	17	No. 1 extremes....."	8 1/2	11 1/2	Lard, N. Y. Mid. W....."	8.45	9.75
Medium....."	10 1/4	11 1/4	No. 1 kip....."	13 1/2	14	Pork, mess.....bbl	23.00	31.50
Brown sheetings, 4 yd....."	8 1/2	8 1/2	No. 1 calfskins....."	9 1/2	11 1/2	Lamb's, best fat, natives.....100 lbs	8.75	12.25
Standard prints....."	7 1/2	10 1/2	Chicago city calfskins....."	112 1/2	119	Sheep, fat ewes....."	3.00	3.50
Brown drills, standard....."	7 1/2	10 1/2	HOPS: Pacific, Pr. '30....."	22	19	Short ribs, sides, 1 se....."	9.50	14.00
Staple ginghams....."	7 1/2	10 1/2	JUTE: first marks....."	3.85	5.25	Bacon, N. Y., 140 down.....lb	12 1/2	15 1/2
Print cloths, 38 1/2-in. 64x60	4 1/2	5 1/4	LEATHER:			Hams, N. Y., 18-20 lbs....."	13 1/4	19 1/2
Hose, belting, duck....."	21 1/2	23	Union backs, t.r....."	30	41	Tallow, N. Y., sp. loose....."	3 1/2	4 1/4
DAIRY:			Scoured oak-backs, No. 1....."	35	47	RAYON:		
Butter, creamy extra.....lb	23 1/2	33	No. 2 butt bends....."	52	58	Den. Fil.		
Cheese, N. Y., fancy....."	13	24	LUMBER:			a 150 22-32....."	75	1.15
Eggs, nearby, fancy.....dog	26 1/2	33	White Pine, No. 1			b 150 40....."	1.30	1.60
Fresh, gathered, ex. firsts....."	19 1/2	25	Barn, 1x4.....per M ft.	54.50	60.00	a Viscose Process, b Cellulose		
DRIED FRUITS:			FAS Quartered Wh.			Acetate.		
Apples, evaporated, fancy...lb	11	14	Oak, 4/4....."	154.00	154.00	RICE: Dom. Long Grain, Fcy. lb	6	6 1/4
Apricots, choice....."	16 1/2	21	FAS Plain Wh. Oak, 4/4....."	115.00	109.00	Blue Rose, choice....."	3 1/2	4 1/2
Citron, imported....."	11 1/2	11 1/2	FAS Plain Red Gum, 4/4....."	80.00	105.00	Foreign, Japan, fancy....."	3 1/2	4 1/2
Currents, cleaned, 50-lb. box	16 1/2	14 1/2	FAS Poplar, 4/4, 7 to 17....."	105.00	112.00	RUBBER: Up-River, fine.....lb	8	14
Lemon Peel, Imp'd....."	17	15 1/2	FAS Ash 4/4....."	82.00	95.00	Plan, 1st Latex crude....."	6 1/2	12 1/2
Orange Peel, Imp'd....."	8 1/2	12 1/2	Beech, No. 1 Common, 4/4....."	50.00	50.00	SILK: Italian Ex. Clas.....lb	12.40	3.25
Peaches, Cal. standard....."	8 1/2	12 1/2	FAS Birch, Red, 4/4....."	105.00	120.00	Japan, Extra Crack....."	2.30	3.40
Prunes, Cal. 40-60, 25-lb box	6 1/2	8 1/2	FAS Cypress, 4/4....."	82.50	87.50	SPICES: Mace, Banda No. 1...lb	52	68
DRUGS AND CHEMICALS:			FAS Chestnut, 4/4....."	75.00	82.50	Cloves, Zanzibar....."	21 1/2	24
Acetanilid, U.S.P., bbls.....lb	36	36	No. 1 Com. Mahogany, 4/4....."	154.00	165.00	Nutmegs, 105s-110s....."	16	19 1/2
Acid, Acetic, 28 deg. 100	2.60	3.87	FAS H. Maple, 4/4....."	85.00	90.00	Ginger, Cochiti....."	8 1/2	16
Carbolic, can....."	17	17	Canada Spruce, 2x4....."	31.00	36.00	Pepper, Lampong, black....."	11 1/2	23
Citric, domestic.....lb	87 1/2	46	N. C. Pine, 4/4, Edge			Singapore, white....."	18 1/2	26 1/2
Muriatic, 18.....100	1.00	1.00	Under 12" No. 2 and Better....."	42.00	46.50	Mombasa, red....."	20	18 1/2
Nitric, 52....."	6.50	6.50	Yellow Pine, 3x12....."	58.00	64.00	SUGAR: Cent. 96.....100 lbs	3.35	3.30
Oxalic, spot....."	55	55	FAS Basswood, 4/4....."	76.00	80.00	Fine gran., in bbls....."	4.55	4.62
Sulphuric, 90.....100	31 1/2	30	Douglas Fir, Water Ship, c. i. f., N. Y. 2x4, 13 feet....."	22.50	25.25	TEA: Formosa, standard.....lb	12	14
Tartaric crystal....."	38.50	38.50	Cal. Redwood, 4/4....."	71.00	75.00	Fine....."	22	29
Fluor Spar, acid, 98%.....ton	2.37	2.55 1/2	Clear....."	24.25	29.00	Japan, basket fired....."	12	17
Alcohol, 190 proof U.S.P. gal	50	44	Roofers, 13/16x2....."			Congou, standard....."	12	12 1/2
" wood, 95%....."	23	20	METALS:			VEGETABLES: Cabbage, crate	1.80	1.25
Alum, lump, denatured, form 5	3.25	3.50	Pig Iron: No. 2X, Ph.....ton	17.26	19.76	Onions, Eastern, Yel.....bkt.	1.00	
Ammonia, anhydrous.....lb	15 1/4	14	No. 2 valley furnace....."	17.00	18.50	Potatoes, L. I.....bbl	3.40	4.65
Arsenic, white....."	4	4	Bessemer, Pittsburgh....."	18.76	20.76	Turnips, Can., Rutabaga.....bag	1.35	1.50
Balsam, Copaiba, S. A....."	10.00	11.00	No. 2 South Cincinnati....."	16.69	16.69	WOOL: Boston:		
Ber, Canada.....gal	1.50	1.89	Bridges, remodeling, Pittsb'g....."	29.00	31.00	Average, 25 quot.....lb	38.92	49.30
Bicarbonate soda, Am. 100 lb	2.64	2.25	Forging, Pittsburgh....."	35.00	36.00	Ohio & Pa. Fleeces:		
Bleaching powder, over 84%.....100	2.00	2.00	Wire rods, Pittsburgh....."	35.00	36.00	Delaune Unwashed....."	24	30
Borax, crystal, in bbl....."	18.00	18.00	O-h rails, hy., at mill....."	43.00	43.00	Half-Blood Combing....."	23	29
Bromine, crude dom.....ton	1.82	2.05	Iron bars, Chicago.....100 lbs	1.70	2.00	Half-Blood Clothing....."	20	25
Calomel, American.....lb	53	60	Steel bars, Pittsburgh....."	1.65	1.65	Common and Broad....."	16	24
Camphor, lab's....."	15.00	15.00	Tank plates, Pittsburgh....."	1.65	1.65	Mich. and N. Y. Fleeces:		
Castile Soap, white.....case	10 1/2	12 1/2	Shapes, Pittsburgh....."	2.40	2.50	Delaune Unwashed....."	22	26
Castor Oil, No. 1.....lb	2.25	3.00	Sheets, black No. 24, Pittsburgh....."	2.15	2.55	Half-Blood Combing....."	22	27
Caustic soda, 76%.....100	8	8 1/2	Wire Nails, Pittsburgh....."	1.80	2.15	Half-Blood Clothing....."	19	25
Chlorate potash....."	25	27	Barb Wire, galvanized, Pittsburgh....."	2.55	2.80	Wis. Mo., and N. E.:		
Chloroform, U.S.P....."	8.50	8.50	Galv. Sheets No. 24, Pitta....."	2.70	3.15	Half-Blood....."	19	25
Choline, Hydrochloride.....oz	23 1/2	20 1/4	Coke, Connellsville, oven.....ton	2.40	2.50	Quarter-Blood....."	18	28
Creosote, domestic.....lb	2.25	2.25	Furnace, prompt ship....."	2.40	2.50	Southern Fleeces:		
Epsom Salts.....100	12 1/2	13 1/2	Foundry, prompt ship....."	2.40	2.50	Ordinary Mediums....."	17	26
Formaldehyde....."	9 1/2	17	Aluminum, pig (ton lots).....lb	22.90	25.30	Ky. W. Va., etc.; Three-eighths Blood Unwashed....."	23	33
Glycerine, C. P. in drums....."	75	83	Antimony, ordinary....."	6 1/2	7	Quarter-Blood Combing....."	22	33
Gum-Arabic, Amber....."	29	33	Copper, electrolytic....."	8 1/2	12	Texas, Scoured Basis:		
Hamamelis, Sumatra....."	75	105	Zinc, N. Y....."	3.85	4.55	Fine, 12 months....."	58	75
Camboage, pipe....."	49	49	Lead, N. Y....."	4.15	5.25	Fine, 8 months....."	50	68
Shellac, D. C....."	1.35	1.35	Tin, N. Y....."	24	30.50	California, Scoured Basis:		
Tragacanth, Aleppo 1st....."	18	18	Triplate, Pittsburgh, 100-lb box	5.00	5.25	Southern....."	50	65
Licorice Extract....."	33	33	MOLASSES AND SYRUP:			Oregon, Scoured Basis:		
Menthol, Japan, cases....."	3.35	4.15	Blackstrap-bbls.....gal	10	17	Fine & F. M. Staple....."	60	73
Morphine, Sulph. bulk.....oz	7.95	8.95	Extra Fancy....."	54	60	Valley No. 1....."	52	67
Nitrate Silver, crystals....."	22 1/2	26 1/2	NAVAL STORES: Pitch-bbl	5.50	7.00	Territory, Scoured Basis:		
Nut Vomica, Scoured.....lb	12.00	12.00	Rosin "B"....."	4.70	6.60	Fine Staple Clothing....."	61	75
Opium, jobbing lots....."	103.00	120.00	Tar, klin burned....."	10.00	13.00	Half-Blood Clothing....."	55	75
Quicksilver, 75-lb flask....."	40	40	Turpentine, carlots.....gal	53 1/4	45	Fine Clothing....."	50	65
Quinine, 100-oz. tins.....oz	19	22	OILS: Coconut, Spot, N. Y. lb	4 1/4	6 1/2	Full: Delaine....."	70	85
Rochelle Salts.....lb	10 1/2	10 1/2	China Wood, bbls, spot....."	6 1/2	9 1/2	Fine Combing....."	68	70
Salt ammonia, lump, lump....."	90	90	Cod, Newfoundland....."	46	60	Coarse Combing....."	43	50
Salt soda, American.....100	7 1/4	7 1/4	Corn, crude, Mill.....lb	6	6 1/2	California AA....."	65	80
Saltpetre, crystals....."	42	48	Cottonseed, spot....."	6.95	8.25	WOOLEN GOODS:		
Sarsaparilla, Honduras....."	1.00	1.32	DIESTUFFS—Bl-chromata			Standard chevrot, 14-oz.....yd	1.30	1.65
Soda ash, 58% light.....100	40	50	Potash, am.....lb	7	9	Serge, 11-oz....."	1.65	1.85
Soda benzoate....."	40	50	Cochineal, silver....."	52	79	Serge, 16-oz....."	2.28	2.70
DIESTUFFS—Bl-chromata			Cutch, Rangoon....."	10 1/2	13 1/2	Fancy cassimere, 13-oz....."	1.82 1/2	2.50
Potash, am.....lb	7	9	Gambler, Plantation....."	7 1/4	6 1/2	36-in. all-worsted serge....."	45	52 1/2
Cochineal, silver....."	52	79				36-in. all-worsted Pan....."	45	51 1/2
Cutch, Rangoon....."	10 1/2	13 1/2				Broadcloth, 54-in....."	2.80	3.75
Gambler, Plantation....."	7 1/4	6 1/2						

+Advance from previous week. —Decline from previous week. *Carload shipments f.o.b., New York. †Quotations nominal.

PRICE CHANGES IN FOODSTUFFS GROUP.....ADVANCES 19; DECLINES 15.
 PRICE CHANGES IN OTHER GROUPS.....ADVANCES 14; DECLINES 10.
 NET CHANGES IN LIST OF WHOLESALE COMMODITY PRICES.....ADVANCES 33; DECLINES 25.

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Economic Review

THE prices of many of the important commodity staples have for some time remained at relatively low levels while the prices of others have continued to follow a downward trend. During a time when conditions such as these prevail the producer and consumer alike adopt a waiting attitude. The producer prefers to postpone his plans for the future until such time as a firm price level enables him to calculate with a reasonable degree of accuracy his probable costs and earning power under different rates of operation. The consumer defers all but absolutely necessary buying until convinced that he is unlikely to see more advantageous prices.

Plainly, declining commodity prices tend to retard industrial expansion. The general appreciation of this fact has caused the business community to take a much deeper interest in commodity price changes than it has for some years past. In the slackening or acceleration of the rate of the price decline is sought a clue as to when a sustained upturn in industrial activity may be expected to develop. Since lower prices are usually taken as evidence that no immediate revival in industry is probable, they are often interpreted unfavorably.

While this viewpoint is entirely understandable it fails to give proper weight to the part which the commodity price decline plays in restoring economic equilibrium. In a general way it is recognized that lower

prices are the result of a surplus and that they will of themselves generate production which is in better proportion to demand. This reasoning is too general for the average business man, however, and a specific example is therefore valuable in throwing a clear light upon the working of the principles involved. The copper industry, because of its importance to the business world and the availability of its statistics, provides an excellent case for the purpose.

Expansion Periods Induce Copper Activity

Expansion Periods Induce Copper Activity

The most active demand for copper occurs during expansion eras. In periods of brisk business and rising industrial activity, large quantities of copper are required in the building and construction industries and in the manufacture of electrical equipment of all kinds. Comparatively high prices are induced by these influences and cause producers to

utilize the maximum of plant capacity in order to send as much copper as possible to market.

Inevitably, there is an end to these hectic market conditions. Copper consumers see the need of curtailing their own operations as a result of a fundamental alteration in the character of public buying. They are no longer under the necessity of filling large orders promptly and their need for copper dwindles rapidly. When this occurs the price of the metal begins to decline.

DUN'S INDUSTRIAL INDICES

Factors Reported Weekly:

Dun Reports	1931	1930	P.C.
Bank Clearings (outside N. Y.)	\$7,118,617,000	\$10,987,674,000	-35.2
Commodity Price Advances.....	33	12
Commodity Price Declines.....	25	57
Insolvencies (number).....	422	490	-13.9

Industrial Activity

†Crude Oil Output (barrels).....	2,482,350	2,598,850	-4.5
Electric Power Output (kwh)....	*1,579,185	*1,655,504	-4.4
Freight Car Loadings.....	732,453	926,066	-20.9

Factors Reported Monthly:

Agriculture

†Cotton Consumption (bales).....	465,770	473,284	-1.6
Cotton Exports (bales).....	335,769	208,695	+60.9

Dun Reports

Price Index Number.....	\$145.885	\$176.240	-17.2
Insolvencies (number).....	2,248	2,179	+3.2

Foreign Trade

Merchandise Exports.....	\$205,000,000	\$329,034,000	-35.9
Merchandise Imports.....	182,000,000	284,683,000	-36.1

Industrial Activity

Building Permits.....	\$89,087,118	\$119,421,575	-25.4
Pig Iron Output (tons).....	1,994,082	3,232,760	-38.3
Steel Output (tons).....	2,505,485	3,982,915	-37.1
Unfilled Steel Tonnage.....	3,626,452	4,039,227	-10.4

†Daily average production. ‡Domestic consumption.
*(000) omitted.

The recession in copper buying almost always comes at a time when there is a sizable accumulation of stocks on hand. The productive machinery is geared high and is not immediately responsive with the result that for a time after the peak of copper consumption has been passed, inventories gain rather than decrease. The trend of copper demand continues downward for some time and finally becomes stable at a level far below that prevailing at the height of the period of prosperity. Relatively light demand usually continues until the beginning of the next inflation which means that activity is often of short duration in comparison with the dullness which prevails during years of normal and subnormal business activity.

Copper Price Fluctuates Widely

The price of copper follows the changing conditions of demand. Periodically, high prices reflect industry's need for copper. These prices rarely maintain for an extended period, being followed by a softening of the price structure. The interval between the active copper markets rarely sees drastic price changes in copper and this situation may continue as long as demand remains light.

In the twenty-six year period from 1903 to 1929 there were three major price peaks when copper sold above 20 cents per pound and two secondary peaks when it rose above 16 cents. After each peak a bottom was established which carried the price below 12 cents three times and below 12 $\frac{1}{4}$ cents once. Following the last of these peaks, that reached in 1929, producers agreed to attempt to maintain the price at 18 cents. This price held for a number of months and it was not until the experiment was abandoned in the Spring of 1930 that copper resumed its downward course. The decline has lasted to the present time with copper now selling at 8c. per pound. This price was duplicated in 1894 but with this exception is the lowest in history.

Present Price is Lower than Cost

The inference to be drawn from the movements of copper prices during the twenty-six year period is that demand has eventually exceeded supply and caused rising prices; that the higher prices have stimulated over-production and that this has caused declining prices.

In the period under consideration active demand has resulted in prices from 16 cents to 20 cents while in the ensuing adjustment period a price of 12 cents or less has followed. Apparently then, a 16 to 20-cent price induces over-production, while an 8 to 12-cent price tends to correct the over-production.

The cost of producing copper varies with the price obtainable, with the quality of the ore body, with the rate at which operations are conducted and with the locality of the plant. Even within a given copper producing organization cost is likely to vary markedly from one plant to another. Under these conditions it is impossible to give a definite figure as representing the cost of producing copper.

In 1928 the average cost of fourteen of the largest producers was .0907 cents with no two costs the same. In the following year, due to changes in price, in operating schedules and in ore bodies, the costs had increased to .0959 cents. In each year a few of the best situated producers turned out copper at a cost slightly under .08 cents, but the majority were over this figure. Since reduced operating schedules imply higher costs it is probable that very little copper is now being mined at less than .08 cents per pound.

Lower Prices Check Over-Production

The relationship between price and production in other industries is similar to that in the copper industry. In many, the machinery of manufacture and distribution is so complicated that actual costs are extremely difficult to calculate and the influences exerted upon operating schedules by prices remains obscure. Some products enjoy a far more regular demand than that which in the past has existed for copper and consequently have been relatively free of sharp price fluctuations. Nevertheless, it remains axiomatic that active demand raises price levels, increases output and, if continued, leads to over-production. The converse is also true of industry in general: that operations will continue to decline with prices until a more satisfactory proportion is established between supply and demand.

The economic laws apply in the same degree to agriculture as to industry. They do not, however, always work out with the same nicety and it often happens that in spite of a sharp decline in the price of an article of farm produce, the following year will see increased acreage planted to the same crop. The reason is that the policies of a given industry are directed by a comparatively few men who have accurate knowledge of their costs and profit margins and who do not choose to produce goods at a loss any longer than their judgment tells them is wise.

Price Decline is a Corrective Influence

A protracted decline in commodity prices is disconcerting to the business community. It sometimes necessitates drastic revisions of asset and inventory values, renders difficult the calculation of future earnings prospects and works genuine hardship alike on the producer, the consumer and the investor. On the other hand, it must be recognized as a necessary readjustment which slowly, but inevitably, brings productive effort into better alignment with existing demand.

It is only when a reasonably close relationship has been established between these two elements that a sustained industrial recovery may be expected to commence. The tendency of commodity prices to seek continually lower levels should not, therefore, be dismissed as simply a manifestation of sluggish business but should be accorded proper weight as a constructive force of the first order.

Estimate of 1931 Cotton Acreage

By William A. Crane

THE preliminary estimate of cotton acreage prepared by representatives of R. G. DUN & Co., at important centers in the cotton belt of the United States, indicates an area planted to cotton for this year's crop of 41,038,000 acres. This is a decrease of 10.4 per cent. from the 45,815,000 acres planted to cotton last year, according to the official estimate issued by the Department of Agriculture at Washington. The above figures for the current year are the lowest for any year since 1923, because of a number of contributory influences.

The reduction this year varies considerably in different districts. Peculiar conditions have caused a small change in some sections. The bulk of area devoted to increased planting of food and feed crops, has come from land unused last season or the bringing in of new lands. One explanation is that there has been little inducement offered to try other crops, as all prices have been so low and cotton offered is as good a prospect as any.

Major effort is being made to reduce the cost of production, and thus far with success. Fertilizers were bought very sparingly and top-dressing of the soil later will be done to a very small extent as financial conditions and prospects were not favorable. Because so little moisture was received last season, it is believed that in many sections left-over strength of fertilizers used will go far in helping offset non-use this season.

Raleigh.—A decrease of fully 15 per cent. in cotton acreage sown in this State is estimated for this year.

Winston - Salem, N. C.—Well posted authorities here say that there is about 5 per cent. decrease on the acreage sown to cotton for this year, as compared with that sown for the year of 1930. This, however, covers only this district, and it is estimated that the decrease will be greater for the entire State.

Charlotte, N. C.—A decrease in acreage planted to cotton this year will be about 10 to 12 per cent. Further, there is a decrease in the sale of fertilizers in this district, for the present year, as compared to last year, of possibly 20 to 25 per cent. Of the fertilizers sold, quite a fair amount is of very low grade.

Wilmington, N. C.—A reduction in cotton acreage of 17

per cent. is expected in this district. Attention is also called to the fact that only about 70 or 75 per cent. of the normal amount of fertilizer was used this year and of a poor grade. Cold weather is affecting the crop to some extent.

Charleston, S. C.—Cotton acreage has been materially reduced here and there is a difference of opinion as to the amount, estimates ranging from 10 to 25 or possibly 30 per cent. However, those best informed seem to regard 15 to 18 per cent. as about correct. Cotton farmers have also reduced

the amount of fertilizer used, the reduction being placed at about 20 to 25 per cent.

Greenville, S. C.—Farmers in this section have curtailed their cotton acreage approximately 10 per cent. They have likewise increased their grain acreage; have borrowed less at banks this year than last, and, as a whole, are in a healthier position. The present cotton crop is very "spotted."

Atlanta.—Surveys recently completed by the larger operators point to a 10 per cent. reduction in the acreage planted to cotton in Georgia and South Carolina. Farmers generally have also reduced fertilizer purchases by 25 per cent., thus lowering the anticipated yield below proportions based on the lessened acreage. Some sections of both States, especially the northern parts, have not received normal rains, and continuance of this condition will tend to further reduce the yield.

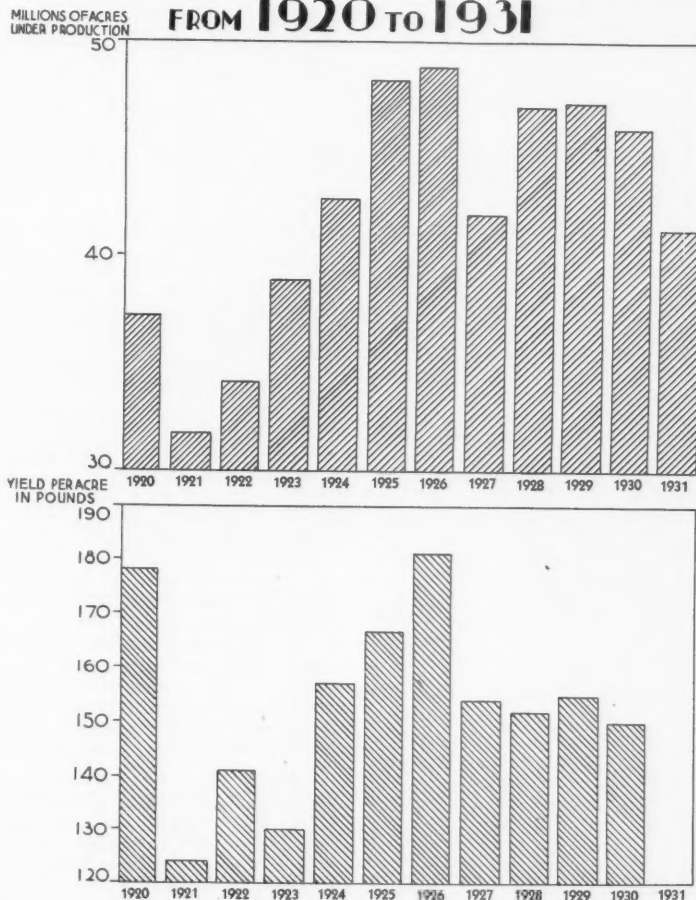
Augusta.—Efforts to reduce the acreage devoted to cotton in this district, have not been altogether successful. Still there has been some reduction, which it is

believed will amount to about 10 per cent. The present crop is in good condition, and it is being made at a lower cost than it has for many years. The farmers are buying a cheaper grade of fertilizer, at least 25 per cent. less than in former years. The cost of labor will also be less than in the past.

Macon.—Estimates indicate that cotton acreage in this territory will be approximately 8 per cent. less than last year, though some estimates run as high at 10 per cent. It is also generally conceded that fertilizer sales have been considerably off and that a reduction in crops will be more than indicated by the reduction in acreage.

(Continued on page 14)

COTTON ACREAGE AND YIELD FROM 1920 TO 1931



The upper chart shows area each year in million acres for twelve years; the lower, the yield per acre in hundred pounds

Business Conditions of the Week—Reported

BOSTON.—A slight improvement in business is noted in both wholesale and retail lines, and there is a much better sentiment in the trade. Considerable activity is noticed in unfinished cotton goods, and print cloths have advanced $\frac{1}{8}$ c., with other lines firm and a few advances noted. Raw cotton is higher than a week ago. Building and engineering contracts awarded in New England during the week amounted to \$6,404,800, as compared with \$4,617,500 for the corresponding week of last year. Hardwoods continue to be in demand for export, but local sales are light.

Hides and skins are rather slow, with prices irregular, but the tone in the local leather market continues to improve and the volume of orders is slowly increasing. The cheaper grades of leather are firm and slight advances are reported in some grades of upper leather.

NEWARK.—The volume of local retail trade is slightly higher, with women's wear, textile lines, millinery, hosiery and notions contributing to the total. Highway construction and semi-public work is in good volume in this area, providing employment for substantial numbers. There is a more cheerful sentiment in industrial circles, with prospects of expansion in the near future; inventories are being held to a low level.

PHILADELPHIA.—While sales have shown no marked gain during the week, prices seem to be working toward greater stabilization, and most of the surplus merchandise has been moved. Retailers have had a fair response to their special sales offerings, and their low stocks are reflected in the status of the wholesale trade, where more activity is apparent. Orders for men's Fall clothing have been particularly good during the last ten days. Current orders are confined largely to knitted sport coats, bathing suits and cardigans, output of which during the last three weeks averages fully 25 per cent. above that for any corresponding period this year.

Orders for silk are showing a gain, but demand for full-fashioned silk hosiery continues light. The plumbing supply business is keeping up pretty well, and the furniture business is on a sounder basis than it was several months ago. The leather belting, radio and agricultural implement lines continue quiet. Sales of automobile accessories are about on a par with the April and May totals.

PITTSBURGH.—Rainy weather has had a tendency to slow up sales at retail, and jobbers of dry goods and wearing apparel report buying light and mostly for immediate needs. With rainfall above normal in volume, farm conditions in this section are reported better than usual, and most lines of fruit are expected to produce large crops.

Industrial operations have fallen off, to some extent, and steel mills are estimated to be operating at little more than 35 per cent. Production of window glass is at a slightly higher rate, but demand continues slow. A slight increase is noted in the production of crude oil. The strike in the bituminous coal fields continues to reduce production somewhat, output being estimated at about 20 per cent. lower than that of a year ago.

BUFFALO.—Sales of seasonable merchandise have shown an increase the past week, due largely to more seasonable weather and the approach of the vacation period. There is a fair demand for vacation requisites, sporting goods and warmer weather apparel. Retail distribution, it is expected, from now on will show more satisfactory results. There is a good demand for women's wearing apparel, particularly of silk and rayon, footwear and hosiery. Men's clothing and furnishings are moving slowly.

ST. LOUIS.—Business generally has shown few signs of improvement, except in the shoe and hardware trades. The volume of building in small projects is holding up fairly well; the demand for building materials is on the increase. Highway building throughout the State is very active, there being at present about 8,800 workers employed on this work. Retail business locally is quiet, except for merchandise for recreational needs.

BALTIMORE.—Some divisions of the textile line report a decided improvement, which is attributed largely to favor-

able weather conditions; light-weight clothing, both men's and women's wear, is in fair demand. Some manufacturers of men's clothing say that they are practically sold up for the Fall season, and orders thus far booked for Autumn requirements show an increase of about 20 per cent. over the figures for the corresponding 1930 season. Local shipyards are busy, although their activity involves more reconditioning than new construction work.

The Maryland crops are improving because of favorable climatic conditions. The conditions of wheat, rye, hay and pastures have improved 10 per cent. since May 1, according to the State agricultural statistician. Fruits are above the average. Maryland leaf tobacco receipts for the week total 306 hogsheads, against sales of only 141 hogsheads. This State's crop is the only leaf which has not declined in price, and some shippers are withholding their stock for higher prices.

LOUISVILLE.—There has been a further gain in the distribution of Summer merchandise during the week and, with the continued favorable crop outlook, less resistance to sales efforts is expected in agricultural districts from now on. Manufacturers, generally, note an increase in volume and some are able to quote slightly better prices than was the case two months ago. Paper sales have increased during June, and prospects for some of the building materials are the best in five months. There has been a gain in the total sales of dairy products. Movement of manufactured tobacco goods is up to expectations.

CHICAGO.—Lacking the stimulus of very heavily advertised bargain days, retail trade swung into a good steady volume of sales, with warm weather aiding shoes and other items in the Summer apparel lines. Wholesalers reported a fair turnover. The Hoover moratorium announcement, with its reactions in the way of former commodity prices, improved local financial sentiment noticeably. A few groups, notably radio, moved counter to the declining trend. One company going into production on its Fall radio models added heavily to its pay rolls. Another has increased output to take care of recently booked dealer orders. A large printing company benefited by an increase in the work done for a mail-order house, and an automobile accessory company reported a good volume of replacement parts sales.

Data on freight car loadings indicate that packers were shipping more goods. In the livestock markets, a brisk demand for hogs brought a Monday top of \$7.60, which was shaded on Tuesday to \$7.55. Some talk \$8 hogs by the end of the week was heard in the trade. Cattle were weak on large receipts, losing a maximum of 25c. on both Monday and Tuesday. Hides continued to advance, gaining $\frac{1}{4}$ c. early in the week for the more popular big packer grades. Butter and eggs took part in the commodity price rally, advancing fractionally on the local mercantile exchange.

CINCINNATI.—The first half of the year terminated with the industrial situation presenting several encouraging aspects. Business continues with an uneven trend, but readjustments that have been under way for some time now are showing results, strengthened by promising outlook in agricultural regions.

Warmer temperatures have given impetus to the movement of Summer apparel, bathing accessories, traveling and sports goods. Several leading stores report a slight gain in volume of business handled during the week. Considerable deferred buying has developed, pending stabilization of cotton markets. Inventories are low and quick shipments are the rule.

CLEVELAND.—Weather conditions during the past week had the effect of stimulating certain retail lines, particularly lightweight garments, traveling accessories, outdoor furniture, light foods and refreshments, awnings and outdoor paints. The usual June trade incidental to graduation and wedding gifts made its percentage of improvement over the previous months of the year, but the total volume was about the same degree below the average of normal years as the general trend of affairs.

Outdoor improvements and new construction by municipalities created some increased demand for materials, and

by Local Offices of R. G. Dun & Co.

added to the number of employed workmen. Chemicals and drugs are quite steady, and the grocery and provision markets keep up a fairly normal level. Seasonable produce is abundant and is readily moved through comparatively easy market quotations. The coal trade is at quite a low ebb, with the principal movement in bulk going into the Lake trade for Northern ports.

TOLEDO.—Business shows but little expansion, as compared with that of previous weeks. Makers of automotive parts are fairly active, one plant is on a four or five-day a week basis, another plant on three days, and one gear-making plant on four days, with no recent cuts in wages. Employment continues in alternating group sections, and the total remains unchanged for several weeks. Retail trade is fairly good due, in large measure, to the double stimulus of warm weather and liberal advertising, with sales at lowered prices.

DETROIT.—Local business conditions, in general, reflect no material change. In retail circles, some increased interest in buying is evidenced, but largely of a seasonal nature. Vacation and travel goods, shoes, and hats are stronger in demand, owing to warm weather prevailing; stocks in these and other kindred lines are moving with more freedom. Factory production still is under restraint. There is little interest shown in real estate, and building and construction work continue to decline, both in number of permits and cost volume.

TWIN CITIES (Minneapolis-St. Paul).—Entirely apart from an increased feeling of confidence growing out of developments in international relations, there are signs pointing toward a better business situation locally. Leading retail stores are reporting better collections and larger sales than a year ago, and profess to observe less fear of spending. Widespread rains have increased the prospects of very fair crops, except in the extreme western part of this trade territory.

Retail trade in the Twin Cities has been materially helped the past two weeks by the presence of important national conventions. Flour sales and milling activity have continued somewhat below normal, but sales are picking up, as bakers have been buying only for immediate needs. Better retail conditions are being reflected in the wholesale trade and, to a slight extent, in some manufacturing industries.

KANSAS CITY.—Livestock receipts in the cattle and hog divisions were somewhat heavier during the week, with a continuance of price gains recorded. Flour production showed a slight decrease, and new business was sluggish, because of the uncertainty of the wheat crop and prices. Farm products still are being marketed liberally, with the price level slow, but steady. Crop prospects are reported favorable for grain. General wholesale distribution continues slow.

ST. JOSEPH.—Retail trade is pronounced as uneven, suffering somewhat from distress merchandise. Sales seem to result only from extraordinary advertising efforts and price inducements. Grocery business and trade in food products is showing the normal seasonal activity just before harvest. Seasonable electric appliances are active, responding to aggressive advertising, and influenced by a period of high temperature. Paint and wallpaper supply houses have finished a fairly good season. Due to favorable crop prospects in this trade territory, preparations are being made for an early and more favorable Fall trade.

SAN FRANCISCO.—The general feeling in local business circles is far more cheerful than it has been for months. While department stores are meeting with a fair response to their special sales, interest during the past week has been, centered largely on electrical refrigerators. Men's and women's shoes are moving at a more rapid rate than for several months. There is more activity in the real estate market, and the building of small homes is on the increase. Sales of automobiles were maintained at last week's level. The employment situation reveals a tendency toward improvement.

LOS ANGELES.—A good volume of trade is reported in dry goods and women's wear. The low prices of silk goods and Summer wearing apparel have increased the volume of merchandise over the ordinary amount handled at this time of the year. Dealers in women's and children's shoes have a substantial gain in sales during the last two weeks.

Public construction-work and the requirements of the utility companies have kept up a fair demand for heavy construction materials and electrical supplies. Sales of electrical refrigerators are said to show satisfactory gains. Favorable growing conditions prevail in agricultural districts.

SEATTLE.—A break in the stretch of unusually sunny weather has checked seasonal activity in retail lines, but the continuation of low price levels is keeping sales at a fairly high level. A little more activity is noted in real estate. Public works considered during the week ended June 13 totaled 26 projects, carrying a valuation of \$1,775,000, an increase of nearly \$500,000 over the total of the week just preceding.

PORTLAND.—There was a decrease in lumber orders during the week, with sales 6.7 per cent. below production. The decline was due to a falling off of about 7,600,000 feet in export business, but foreign orders still are above the average. Domestic trade held its own. Reports from 220 leading Douglas fir mills showed an output of 112,702,492 feet, while sales were 105,748,409 feet, of which 36,114,117 feet will be delivered by rail; 40,481,624 feet are for domestic ports and 19,011,537 feet will be exported.

Export wheat trading was limited to the sale of a half cargo for shipment to Ireland. The export flour market also was quiet, with Chinese buyers submitting bids below the Coast market; a fair business was done with the Philippines. The growing wheat crop was materially benefited during the week by soaking rains. Spring-sown grain was particularly helped, as the crop had been threatened almost with failure in some districts by the long dry spell. Winter wheat was improved in quality rather than quantity.

MONTREAL.—Summer dresses and sporting goods have been fairly active this week, and there has been an increasing call for drapes, furniture and other household equipment adapted to Summer homes. Groceries continue steady at unchanged prices, demand for sugar is active, and staples generally are moving in normal quantities. The fur trade continues seasonably quiet. Crop prospects throughout the Province are generally favorable; pasturage and meadows are in excellent condition.

QUEBEC.—Reasonable weather and a moderate influx of tourists into the district during the past week had a stimulating effect on retail sales, and dealers transacted a satisfactory volume of business. The wholesale situation does not show any change of importance, sales volume being about the same as in previous weeks. Boot and shoe factories continue fairly well employed, but manufacturers of men's clothing find business somewhat quiet.

TORONTO.—During the past week, fine weather afforded merchants an opportunity to test the public buying power, with fair results. High-class merchandise at extremely low prices, in comparison with those ruling a year ago, was not always sufficient inducement for patronage, although seasonable goods moved freely and occasionally retailers became optimistic. Boots and shoes went into consumption at a satisfactory rate, and drugs, toilet articles and rubber sundries were in good demand, bathing novelties, in particular, meeting with public favor. Some optimism was evident concerning provision and meat products.

REGINA.—Agricultural conditions in this district have been disappointing, as high winds have prevailed, very little moisture has fallen, and top soil has drifted badly. As a result, there is little prospect of harvesting a wheat crop of any consequence. Unless there is considerable rain within the next few weeks, there will be an acute shortage of feed. Many farmers in the dried out areas of the south have abandoned their farms, and are moving to the northern part of the Province.

National Money and Credit Conditions

Light Demand for Loans Continues, Except in Districts where
Crops are Moving—General Collections Slow

MONEY MARKETS

In Eastern Sections

Boston.—The local money market continues dull, with little demand for the plethora of funds at the leading banking institutions. The call rate is $2\frac{1}{2}$ per cent., while time money for six months is 3 per cent. Commercial paper continues at 2 to $2\frac{1}{2}$ per cent.

Philadelphia.—Money rates remain steady with the setting in of seasonable dullness, thus retarding the possibility of any noticeable increase in strictly commercial lines. Choice commercial paper is offered at 2 to $2\frac{1}{2}$ per cent., and dealers are experiencing no trouble in disposing of their allotment, as supply is at a low point.

In South and Southwest

St. Louis.—There is but little demand for funds from industrial and commercial sources, with the supply of money in banks plentiful. Commercial paper at $2\frac{1}{2}$ to 3 per cent. is in good demand at banks. Collateral loans range from 4 to $5\frac{1}{2}$ per cent. Cattle loans generally are 5 to 6 per cent.

Kansas City.—Local commercial banks report that deposits are holding steady, and funds continue in excess of the general demand. Rates still range from 5 to 6 per cent. There has been a slight increase in country demand.

Atlanta.—Demand for money locally continues moderate, with interest rates averaging from 4 to 6 per cent. Deposits are holding up well.

Dallas.—Money conditions generally remain unchanged from last week, with the surplus of funds continuing. Demand still is light. In some country districts, additional money is being required to handle the wheat crop, but this demand is below the normal level.

In Western Sections

Chicago.—Money continued steady during most of the week, with commercial paper at 2 to $2\frac{1}{2}$ per cent., and counter loans ranging from $3\frac{1}{2}$ to $5\frac{1}{2}$ per cent. Brokers' loans on collateral were fairly steady at 4 per cent., but customers' loans on collateral varied from 5 to 6 per cent., with considerable shading.

Cincinnati.—Transactions in financial quarters are subnormal and funds are accumulating. Leading banks are placing substantial surplus in government bonds. During the week there was more inquiry from commercial sources, with rates unchanged on a basis of $5\frac{1}{2}$ to 6 per cent. Loans to brokers have been limited, but rates for this class of paper are holding firm, ranging from 4 to $4\frac{1}{2}$ per cent.

Cleveland.—The money market still is backward, with funds accumulating and little life featuring the demand for loans. Interest rates are low, and more favorable terms to stimulate demand for building and other construction loans have not met with any material encouragement. The Federal Reserve Bank's report this week showed an important gain, \$25,000,000, in the holdings of government securities.

Twin Cities (Minneapolis-St. Paul).—Funds at local banks are plentiful, but demand still is restricted. Bank rates still range from 3 to 6 per cent. Commercial paper is quoted at 2 to 3 per cent.

COLLECTION CONDITIONS

In Eastern Districts

Boston.—Collections continue to be fairly good, and compare favorably with the record of previous weeks; installment accounts are being paid a little more promptly.

Providence.—There has been almost no improvement in collections, other than slight seasonal gains, general reports revealing continued slowness.

Hartford.—Retail collections continue slow, despite a gain in the movement of seasonable merchandise. Installment accounts are being paid a little more promptly than they were a week ago.

Newark.—There is no particular improvement apparent in collections, other than a seasonal gain in some branches of the retail trade.

Philadelphia.—Although collections have slowed up a little in the automobile accessory and leather trades, they have improved in the knitted goods line and generally are classed as fairly good.

Pittsburgh.—Although mercantile collections show a slight improvement in some quarters, the average continues slow.

Buffalo.—Collections for the week show a slight falling off, as is natural at the close of the month, but they continue to be classed as fair, on the whole.

In South and Southwest

St. Louis.—Wholesale collections generally are slow, although there lately have been a few signs of improvement. Retail collections locally are slow.

Kansas City.—Collections in this district continue slow, except for a slight improvement in some branches of the retail trade.

Baltimore.—The following data relative to the current collection status was submitted by 36 local houses engaged in various lines of activity: 8 good, 24 fair, and 4 slow.

Atlanta.—Aside from a slight gain in some of the retail lines, there has been no improvement in collections, which continue slow.

Oklahoma City.—Local mercantile collections continue slow, but there has been no further recession from the showing made a week ago.

Dallas.—In those sections where wheat movement has started, general collections have been benefited. Retail payments, however, continue slow.

Jacksonville.—Slowness continues to characterize the local collection situation, the little improvement noted being sufficient to raise the general average.

In Western Districts

Chicago.—Collections generally have slowed up materially during the past week, many houses apparently withholding payment until after July 1.

Cincinnati.—Reports regarding an improvement in collections during the past week were not uniform, and in many instances payments continue unsatisfactory.

Cleveland.—The week presented no important change in the state of mercantile collections, slowness continuing to feature the average run of accounts.

Detroit.—The retailers that are specializing in Summer wearing apparel have noted a little easier trend in collections, but in other lines they continue to average slow.

Twin Cities (Minneapolis-St. Paul).—Although the leading retail stores report a slight improvement in collections, the general condition is only a little better than it was a week ago.

Omaha.—During the past month there has been almost no improvement in collections, which continue generally slow in both wholesale and retail branches.

Denver.—The general collection situation has not changed materially, and reports indicate slowness in payments in practically all lines. There has been a slight improvement, however, in those lines whose greatest activity is dependent on the warm weather.

St. Joseph.—Retail and installment collections average well, but the majority of wholesalers continue to complain of unusual slowness.

Los Angeles.—While slowness continues to characterize the collection situation in wholesale and manufacturing lines, the majority of the reports this week show that payments are fair.

Seattle.—There continues to be considerable slowness in retail collections, but payments with wholesale and installment houses are generally fair.

Portland.—Reports on collections for the past month show no improvement, the general trend being from fair to slow.

Course of International Money Markets

Continued Shipments of German Gold and Proposed International
Credit to Reichsbank Feature Week's Developments

MONETARY developments this week were chiefly in connection with the financial plight in which the Reich found itself last week, as a result of the huge flight of capital toward other centers. Gold losses by Germany were again heavy last Saturday, with further earmark releases at the Federal Reserve Bank of New York reported. This is equivalent to a gain in the stock of monetary gold held in the United States, and as it makes possible a greater use of credit any incident of the sort is important to the money market. It also appeared that extensive direct shipments of gold from Germany to the United States were in progress, owing to the efforts of the Reichsbank to protect the mark. More than \$25,000,000 is reported en route, with the liner *Stuttgart* bringing about \$11,500,000, while \$14,600,000 was landed yesterday on the *New York*. This will mean further records in the stock of monetary gold, although record figures are already current. Gold also flowed toward this country, moreover, from Canada and Latin America. Efforts to stem the unwanted flow through reductions in discount and open market money rates have so far proved unavailing.

Savings Banks Reduce Interest Rates

Rates for call loans on the Stock Exchange were carried over from previous dealings at the undeviating figure of 1½ per cent. Funds were available in huge quantities, and an overflow into the unofficial "street" market occurred every day, with trades reported at 1¼ per cent., or a concession of ¼ of 1 per cent. from the official figure. Time money was slightly firmer Monday, owing to the presumed greater use of capital that may follow business improvement. An all-round advance of ¼ of 1 per cent. in time rates was thus occasioned, with the new levels established at 1¼ to 1½ per cent. for accommodation of thirty days to four months. Five and six months' loans were arranged at 1¼ to 2 per cent. Bankers' acceptances remained unchanged under Federal Reserve policy at a range of 1 per cent. bid and ¾ asked for thirty to ninety-day bills, and 1¼ bid and 1¼ asked for five and six months' acceptances. Commercial paper ruled at 2 per cent. for prime names, all dates, and 2¼ to 2½ per cent. for others. Significant of the trend of money rates was an announcement last Monday by the four largest savings banks in New York City that interest paid on deposits in the institutions would be cut from 4 to 3½ per cent., effective July 1. A large commercial bank followed Thursday with a similar reduction in the rate paid on thrift accounts.

Hoover Plan Steadies German Mark

Foreign exchanges moved in a small range this week, with a definite trend lacking. The most important developments by far again related to the German mark, which was still subject early this week to a small outward flow of capital from the Reich. The Hoover pronouncement on debt suspension by governments among themselves for a period of one year effectually stopped the outflow, finally, and the mark remained fairly stable just above the gold export point from Germany, without any additional shipments of the metal taking place this week. In order to protect the currency, however, gold was shipped to other markets in enormous quantities until the close of last week. It developed that shipments of \$25,100,000 were made to the United States last week, and a further drop in the earmarked stock of the metal at the Federal Reserve Bank of New York last Saturday also was presumed to reflect the strain.

Foreign Exchange Generally Steady

Marks showed little effects of these occurrences and arrangements owing to the close control exercised by the Reichsbank. The currency remained slightly above the point where gold would normally flow from Berlin to New York. Sterling exchange fluctuated narrowly about the gold parity point. French francs also held steady, while the Scandinavian exchanges, Dutch guilders, Swiss francs and Italian

lire barely moved. The Spanish peseta also entered the dol-drum, and the customary rapid movements in this exchange were lacking. Canadian dollars remained all week at a substantial discount in the New York market, presaging further shipments of gold from Canada to New York. The important South American currencies were firm, and Far Eastern rates also held steady.

	Fri. June 19	Sat. June 20	Mon. June 22	Tues. June 23	Wed. June 24	Thurs. June 25
Sterling, checks...	4.86½	4.86½	4.86½	4.86½	4.86½	4.86½
Sterling, cables...	4.86½	4.86½	4.86½	4.86½	4.86½	4.86½
Paris, checks...	3.91½	3.91½	3.91½	3.91½	3.91½	3.91½
Paris, cables...	3.91½	3.91½	3.91½	3.91½	3.91½	3.91½
Berlin, checks...	23.70½	23.71½	23.74½	23.72½	23.72½	23.73
Berlin, cables...	23.72½	23.73½	23.76½	23.74½	23.74½	23.73½
Antwerp, checks...	13.90½	13.90½	13.91	13.91	13.90½	13.92½
Antwerp, cables...	13.91½	13.92	13.92½	13.92½	13.92½	13.93½
Liège, checks...	5.23½	5.23½	5.23½	5.23½	5.23½	5.23½
Liège, cables...	5.23½	5.23½	5.23½	5.23½	5.23½	5.23½
Swiss, checks...	19.41½	19.42	19.40	19.40	19.38½	19.38
Swiss, cables...	19.42½	19.42½	19.40½	19.40½	19.38½	19.38½
Guilders, checks...	40.22½	40.25½	40.24½	40.24½	40.25½	40.22½
Guilders, cables...	40.24	40.26½	40.25½	40.25½	40.26½	40.25½
Pesetas, checks...	9.64½	9.74	9.76	9.71½	9.54	9.49
Pesetas, cables...	9.65	9.74½	9.76½	9.72	9.54½	9.50
Denmark, checks...	26.77½	26.77½	26.78½	26.78½	26.78½	26.78
Denmark, cables...	26.78	26.78	26.78	26.79	26.79	26.79
Sweden, checks...	26.80½	26.81	26.82	26.82	26.81½	26.81½
Sweden, cables...	26.80½	26.81½	26.82½	26.82½	26.82	26.82½
Norway, checks...	26.78	26.78	26.79	26.79½	26.78½	26.78
Norway, cables...	26.78½	26.78½	26.79½	26.79	26.79	26.79
Greece, checks...	1.29½	1.29½	1.29½	1.29½	1.29½	1.29½
Greece, cables...	1.29½	1.29½	1.29½	1.29½	1.29½	1.29½
Portugal, checks...	4.44	4.44	4.44	4.44	4.44	4.44
Portugal, cables...	4.45	4.45	4.45	4.45	4.45	4.45
Australia, checks...	3.65½	3.65½	3.65½	3.65½	3.65½	3.65½
Australia, cables...	3.66½	3.66½	3.66½	3.66½	3.66½	3.66½
Montreal, demand...	99.45	99.61	99.65	99.62	99.65	99.44
Argentina, demand...	30.90	31.10	31.75	31.70	31.70	31.75
Brazil, demand...	7.45	7.35	7.60	7.60	7.50	7.60
Chili, demand...	12.12	12.12	12.12	12.12	12.10	12.07
Uruguay, demand...	58.00	58.25	59.25	59.00	58.75	58.50

Bank Clearings Still Further Reduced

BANK clearings again show a heavy decline. The total for this week at leading cities in the United States of \$7,118,617,000 is 35.2 per cent. below that of last year. At New York City, clearings of \$4,938,664,000 are 37.1 per cent. less, while the aggregate at centers outside of New York of \$2,179,953,000 is 30.6 per cent. smaller. There is a reduction this week from the heavier total of last week of nearly twenty per cent., whereas a year ago the decline was only slightly in excess of 11 per cent. For the fourth week of June a somewhat smaller amount of bank clearings is to be expected, but the total this week is considerably reduced, compared with the earlier weeks of the month. Measured by clearings, settlements through the banks for this month show quite as heavy a reduction as for January.

Bank clearings for the week, as reported to R. G. DUN & Co., and average daily bank clearings for the year to date, are compared herewith:

	Week June 25, 1931	Week June 26, 1930	Per Cent.	Week June 27, 1929
Boston	\$352,000,000	\$544,000,000	-35.2	\$478,000,000
Philadelphia	364,000,000	494,000,000	-26.3	582,000,000
Baltimore	66,983,000	85,761,000	-21.9	97,911,000
Pittsburgh	118,996,000	187,921,000	-36.7	190,312,000
Buffalo	35,496,000	49,973,000	-29.0	61,883,000
Chicago	349,272,000	591,468,000	-40.9	574,028,000
Detroit	147,306,000	195,635,000	-24.7	243,817,000
Cleveland	96,561,000	128,165,000	-24.7	146,513,000
Cincinnati	51,507,000	61,455,000	-16.2	72,338,000
St. Louis	83,700,000	121,700,000	-31.2	125,500,000
Kansas City	86,000,000	121,400,000	-29.1	134,200,000
Omaha	32,603,000	39,142,000	-16.5	43,475,000
Minneapolis	55,090,000	74,622,000	-26.3	78,603,000
Richmond	31,731,000	42,952,000	-26.1	38,376,000
Atlanta	32,588,000	39,326,000	-17.1	47,019,000
Louisville	21,821,000	35,274,000	-12.5	32,191,000
New Orleans	35,541,000	37,782,000	-5.9	43,555,000
Dallas	32,244,000	36,851,000	-12.8	45,927,000
San Francisco	129,100,000	184,300,000	-30.0	192,000,000
Portland	26,078,000	33,007,000	-21.0	37,533,000
Seattle	31,366,000	35,940,000	-12.7	50,038,000
Total	\$2,179,953,000	\$3,140,674,000	-30.6	\$3,315,219,000
New York	4,938,664,000	7,847,000,000	-37.1	7,905,000,000
Total All	\$7,118,617,000	\$10,987,674,000	-35.2	\$11,220,219,000
Average daily:				
June to date	\$1,416,679,000	\$1,818,139,000	-22.1	\$1,922,302,000
May	1,410,616,000	1,725,622,000	-18.3	1,992,369,000
April	1,467,562,000	1,859,118,000	-21.6	1,928,145,000
First Quarter	1,404,600,000	1,799,904,000	-22.0	2,216,714,000

Improvement Appears in Cotton Goods

More Activity than for Several Weeks—Wool Goods Industry Continues Busy

BUSINESS in cotton goods was quickened this week in the primary markets by the rise in the raw material and the improved tone in financial affairs. Buying of print cloths and some of the convertibles, ran far in excess of current production, and the sales totaled the best reported for several weeks. The improvement did not reach into finished lines. Retail trade was held back to some extent by adverse weather conditions.

Production in the cotton goods industry will be cut down sharply, it is expected during the Summer months and until after Labor Day. The wool goods industry is maintaining the best ratio of output reported for many months, the Fall business having reached substantially larger proportions than a year ago at this period. Rayon production has increased to an extent that is well over an average of 80 per cent., and sales for the year thus far have been large enough to make substantial inroads into stocks that had accumulated when the year opened. Silk production is still being held down, and burlap output is not to be increased for the balance of the Summer.

Retail stocks are poorly assorted, shoppers find, due to the repression exercised in the past and the continued policy of reducing inventories to the lowest possible margins. In the struggle to meet unprofitable price competition in several directions, it has been noticed by selling agents that a larger proportion than usual is being sought in the way of the poorer qualities of merchandise. This condition is especially marked in the case of some dress goods lines, and in some of the cottons.

While many of the quoted list prices have not been openly changed, extended and irregular discounts have appeared in the cotton goods and silk goods divisions. In the latter, there has been a rush to clean up any stocks of styled goods for Spring, and some of the new low prices named are the lowest reported in years, in many instances quite below anything heretofore known on comparable merchandise.

Print Cloths and Broadcloths Active

Sales of print cloths and broadcloths for spot and future delivery reached totals in excess of half a million pieces, and prices were advanced from $\frac{1}{8}$ c. to $\frac{1}{4}$ c. a yard above recent low levels. The movement in narrow sheetings and fine convertibles was not so active. Buying of some colored lines was stimulated in some instances by exceptionally low prices, particularly in fabrics wanted for the work-suit and work-shirt trades. Printed and wash fabrics were bought moderately. Sheets and pillowcases continue to sell at long discounts. Towel prices are exceptionally irregular. New low prices are shortly to be named on fine bedspreads for the Fall season. Printed draperies are selling at very low prices in relation to cost.

Some let-up has come in the sales of Summer wool goods, but not until many stocks have been cleaned up. A moderate amount of additional duplicates on men's wear and overcoatings was reported and sales of women's wear are increasing for the Fall trade. Worsteds yarn spinners are busy.

In the knit goods division the tangle of wage troubles in the hosiery division has not yet been adjusted, but a fair demand is reported for some of the silk goods, while an active demand persists for mesh hosiery for women's and misses' use. Knit wear for Summer use has been selling well in consuming channels and many lines are scarce for immediate delivery. The sweater and bathing suit business has slackened a little but is still fair.

Prices for some lines of shantungs and other popular printed lines were reduced sharply by agents to clean out stocks and high-quality crepes are no longer congested in any quarter. A number of leading houses have ceased to accept new business that does not show some profit, but the conditions in weaving are still unsatisfactory. Prices have dropped so low on several lines that even with the advantage of low cost raw material there is little profit possible on some of the bids submitted by buyers.

Improvement in Rayon Industry

Price competition in the rayon industry has not demoralized production as it has in some other textile divisions. Sales of two of the largest factors for the first six months of the year bid fair to run ahead of capacity output and there has been a general cleaning out of many of the so-called inferior yarns that were in stock when the year opened. The complaint is frequently made that profits are close and it is certain that some very low prices have been named on yarns to be delivered for the Fall trade.

One of the rayon producers startled the trade this week by an announcement of a purchase of 100 knitting machines for working up a high grade of knitting yarn it has been producing and selling under a trade-mark. A number of the producers have been making close contacts with weavers and knitters by which quality products for given uses are confined to them, thus assuring a better type of protection for the consumer who cares to buy finished merchandise under mill brands.

The demand for active cellulose yarns has increased and some concerns that have been preparing new machinery for this type of work are now prepared to make offerings in commercial quantities. Several new types of fabrics are shown for the Fall trade, and there is little reason to doubt a further expansion in rayon fabric production of high-class materials will be seen for the coming Spring.

Continued Gain in Wool Demand

There has been some increase at Boston this week in the demand for wool from the woolen mills, and it is expected that during the next few weeks the mills will take increasing quantities. Manufacturers report increased activity, and woolen goods are moving well. An increase in the demand for overcoatings is noted. A considerable volume of orders has been booked for the Fall lines of men's wear.

Wool futures are slow, and prices are off from 50 to 75 points. Current quotations on the Boston market show little change. Deliveries on worsted yarn already on order are being made regularly, but new orders are mostly small. Knitting yarns are active, and much new business is reported for weaving yarns for men's wear. Prices are somewhat weak.

Receipts of domestic wool during the week were heavy. The total receipts of wool in Boston amounted to 17,980,900 pounds, as compared with 8,236,600 for the preceding week. The total receipts of wool to date in Boston have been 115,420,200 pounds, as compared with 112,969,400 pounds. Shipments thus far have been less than those of last year.

Dry Goods Notes

The wool industry is believed to be operating on an average basis of 60 per cent. capacity, with every promise now that this ratio can be maintained for the balance of the Summer.

The international financial developments strengthened values in raw silk in Yokohama markets, but sales at higher prices were not made here in any important volume.

Linens have sold very well this season for men's wear and for dress purposes, but little improvement has taken place in household goods.

Fall women's wear in the lower-priced grades is most active on boucle weaves and modified tweeds and open weaves. General complaint is heard of the inability of mills to secure yarns fast enough to keep looms fully employed and some large establishments are operating preparatory machinery overtime.

Prices on wide staple print cloths of the 4-yard 80 square and 38½-inch 64x60's types advanced $\frac{1}{8}$ c. a yard. Some sales were made for delivery in the last quarter of the year but leading houses would not accept contracts at current values, except on goods for Summer delivery.

Hide and Leather Markets Much Improved

Supplies of Domestic Hides Scarce and Prices Higher—Leather is also in Good Demand

HIDES have continued to gain in strength. Supplies of domestic takeoff are still moderate and prices higher. Tanners have paid full rates on branded steers this week, after bidding $\frac{1}{2}$ c. less all of last week. Two buyers have absorbed around 50,000 packer hides. These transactions included native steers, at $10\frac{1}{2}$ c.; butt brands at 10c.; Colorados and light Texas $9\frac{1}{2}$ c., and branded cows and extreme light Texas steers at 9c. Tanners are reported to be bidding $10\frac{1}{2}$ c. for native steers, which selection is scarce, and 10c. for light native cows for which packers are asking $\frac{1}{2}$ c. higher. Country hides have responded to the higher general market. Stocks are reported very light. Extremes sold in Chicago at $8\frac{3}{4}$ c. and buffs at $6\frac{3}{4}$ c. Later in the week, a Milwaukee dealer was reported to have sold 6,000 extremes at 9c., and some buffs at 7c.

The River Plate market, after weakening to $10\frac{1}{2}$ c. the latter part of last week on sales of 29,000 Argentine frigorifico steers, advanced this week. Sales were made of 8,000 at $10\frac{1}{2}$ c. and later 20,000 up to $10\frac{1}{2}$ c. Stocks have been well exhausted.

There is a firmer tendency in calfskins. Packers' skins in the West were quite freely purchased. May's sold at 15c. and June's up to 16c. for Northern, and $14\frac{1}{2}$ c. for River points. One packer sold April-May's, carried for some time, at confidential terms, and was reported to have made a concession on the April's, which was to be expected. In Chicago city's, a car of 8 to 10 pounds, sold $\frac{1}{2}$ c. up or at 11c. Light skins are more in demand. New York city's skins are in small supply and some traders report 5 to 7's obtainable at \$1. These were understood to have been sold by packers at \$1.07 $\frac{1}{2}$. The range on 7 to 9's, collectors' to packers', on late sales was \$1.45 to \$1.50; 9 to 12's \$2.25 to \$2.35, though the latter weakened somewhat at the end. Kips, 12 to 17 pounds, are regarded as easier, along with 9 to 12-pound calf skins, and are considered nominal at from \$2.35 to \$2.45, and not over \$2.50 at the best. Heavy, 17-pound and up, were reported sold at \$3.40. Kips in the West have been steady to firm and unchanged with supplies reported small.

Sole Leather in Active Demand

TRADING is on a larger scale, particularly in sole leather.

Large tanners report a material reduction in stocks of offal, notably in bellies. Activity would naturally be first shown in these. A big tanner-shoe manufacturer, is said to have absorbed a large line of backs, as well as some bends, from four or five of the leading tanners. Upper leather is not so active as sole, but there was some recent activity in kid. Estimates on the purchases recently made run as high as 70,000 sides. Prices are not reported. Such

information, as is to be had, quotes 30c. for cow backs, tannery run. Some tanners claim, if this basis ruled, it is too low for present salting. It is believed that most of the leather moved was not fully standard, or top quality. Trading with strictly local New York buyers has been quiet, including the findings trade. Conditions in New York in women's turn out soles is especially slow on account of the "between season" period now in progress.

Offal has recently been selling on a much more extensive scale and there seems to be a considerably improved situation, especially in bellies, which have sold actively; also, for shanks. Trading in bellies of late has served to materially reduce stocks of these in the hands of the larger tanners, as well as the holdings in the East by big dealers. Some of the big tanners say that their stocks of bellies are now down to a point of current production.

Trading of account in upper leathers is not expected to develop until July, following inventory taking. Recently, there were some sizable transactions in kid, and an improved demand for side upper and women's weights of calf. The demand for reptile skins continues quite strong. No important change has been reported in patent leather.

Shoe Manufacturers are Still Very Busy

PRODUCTION by shoe manufacturers continues high.

Estimates for May are as high as 28,000,000 pairs. Usually after Easter, which came in March this year, there is quite a sharp let-down until Fall lines are produced. The opposite to this condition ruled this year, with marked depression in other lines. If the estimate for May production is correct, it represents a greater activity in shoe manufacturing than any previous May, except in 1929 and 1923.

It has been reported for some time past that the principal area of activity has been in the mid-West. A large tanning-shoe manufacturer in that section is said to be running to 180,000 pairs a day. Stress continues to be laid on reports that the demand is for "cheap" footwear, and indications in the Metropolitan district rather confirm this. Factories in Brooklyn, producing women's higher priced lines are not busy. These plants are, generally, closed until after Independence Day, and it is said, some will be idle for several weeks. On the other hand, the stitchdown manufacturers are very busy, and the interval of idleness with them will be only for a few days for inventory taking. New England reports indicate that plants producing men's shoes are not busy, and the same is reported for the Metropolitan area. This is stock-taking time, including inventories at South Shore plants and this helps to make things quiet. In some quarters, there is apparently no let-up in production of sport shoes, to retail around \$4 per pair.

Favorable Factors for Steel Revival Gain

Proposed Freight Rate Rise and Impending Coal Strike May Hasten Buying—Scrap Price Lowest in Thirty Years

AVERAGE steel ingot output estimated at 35 to 38 per cent.

is supported mainly by finished operations in pipe, tin plate and structural steel, though new awards in the latter department have fallen off in recent weeks. Several good-sized pipe line tonnages have been closed, providing for better working schedules at several plants. Tin plate shipments continue at about 65 per cent., though sheet specifications are not equal to those of a few weeks ago; with automobile production, the rate shows a downward trend. Miscellaneous steel buying still is of a hand-to-mouth character, and forward buying has not been stimulated to any degree. Hope is being expressed in factors now developing that a definite improvement may be under way by the Fall, though immediate gains are not indicated.

The price situation has not changed materially, on third-quarter quotations, a firmer attitude being reflected and revision of sheet differentials effects an advance of \$1 to \$5 per ton. These new prices have not covered, as yet, much actual business, but are strengthened in the fact that the general price level has been too low. Strip steel for the third quarter also is being advanced \$1 per ton for hot rolled. Bars, shapes, and plates for the ordinary run of orders are quoted \$1.65, Pittsburgh. Cold-finished steel bars are quoted \$2.10, Pittsburgh, with production not above 25 per cent. of capacity.

Pig iron remains quiet, and but little contracting interest is shown. Between steel company sales of basic iron have been

(Continued on page 15)

Half-Yearly Review of the Grocery Trade

Volume Compares Favorably with Record of First Six Months of 1930, but Lower Prices Cut Dollar Total

DESPITE the losses that have been reported in some sections, the distribution of groceries in the first six months ran to a larger tonnage than it did in the comparative period of 1930. As prices average 5 to 25 per cent. lower than those obtaining last year, the dollar volume of trade has shrunk, and margins of profit are decidedly smaller. Current low quotations are retarding canning activities, and the smaller pack may strengthen prices of canned goods later in the year. Collections are holding up unusually well.

June Sales Gain at St. Louis

GROCERY jobbers in this district report that sales show a slight increase so far this month, in comparison with the total for May. Volume, however, is off about 15 per cent., compared with that for the same period of 1930. Demand for staples and necessities is much more active than it is for luxuries. Business in rural areas has improved during the past sixty days, country merchants showing more of a disposition to replenish depleted stocks.

Prices are 15 to 25 per cent. lower than they were last year at this time. Canned goods have been affected materially by abundant crops of garden and orchard products. Collections are fair, and outlook for the trade is more favorable than for some time.

Atlanta's Sales Under 1930 Total

TONNAGE volume of grocery movements is slightly under that of this time last year, with sales volume in monetary terms estimated at 15 to 25 per cent. less, and a noticeable oversupply. The produce market reports no evidence of oversupply or decreasing demand, but distribution is confused from effect of independent peddlers from southern Georgia and Florida.

Manufacturers of grain products have not escaped the effect of the uncertainty prevailing in this market, because of the new crop in prospect, and the known surplus of grain carried over. Close and frequent buying of retail merchants, in small quantities, has increased service expense of manufacturers and wholesalers, and this, in the face of declining prices.

Total Sales Increase at Jacksonville

IN Jacksonville and Duval County, 38 stores have sold, during the past twelve months, twenty tons more of merchandise than in the previous twelve months, but the amount received for merchandise during the same period was 27.2 per cent. less. This condition has been caused, to some extent, by the decline in prices for merchandise from the manufacturers, together with lower prices brought about by competition.

It is expected that the next three months will show a further decline in prices. However, the last three months of the year should show a slight increase in price, though this gain hardly can be sufficient to overcome the loss of the first nine months of the year. Collections by wholesale houses are reported as slow.

Buying Power at Detroit Restricted

THIS line has suffered under the general economic conditions prevailing, and volume of business, as a whole, shows a falling off, as compared with that of former years. Competition has been somewhat reduced by mergers. So far as the retail business is concerned here, much of it is controlled by the big chain stores on a cash-and-carry system.

The so-called small neighborhood stores are, for the most part, conducted by foreigners. In many cases, the smaller dealer is carrying substantial book accounts receivable, which are slow of realization, owing to restricted public buying power and necessity of curtailing expenses so far as possible. Collections with the wholesalers and jobbers are slow.

Kansas City Reports Demand Steady

DURING the last six months, it is reported that sales have been fairly satisfactory, in comparison with the volume of business done. The largest slump in sales was during the early part of the year, and since that time they have been holding steady; in some quarters, a slight increase has occurred.

Farm produce has been at the lowest price level for some time, which has checked volume in this line of business, to some extent. The general agricultural situation has been hard to define, but soil conditions have been good, livestock prices have increased lately, and trade for early Fall is expected to show an expansion.

Denver Volume Off 1 Per Cent.

VOLUME for the first six months of 1931 shows a decrease of about 1 per cent., as compared with the sales for the same period in 1930. Tonnage is greater than it was a year ago, but is offset by the decline in prices. Local wholesale houses are working on a smaller margin of profit.

Prices are reported to be about 25 per cent. lower than those for the same period in 1930. Collections are fair. Future prospects are dependent, to a large degree, on the outcome of the Fall harvest, but it is believed that there will be no material changes either as to price or volume for the balance of this year.

Turnover at Portland Improving

WHOLESALE grocery business at present is fairly satisfactory, considering general trade conditions. Results are better than at this time last year, on the basis of dollar values. In view of the decline in commodity prices, as a whole, the turnover has made a better showing than it did a year ago. No disposition is shown by retailers to speculate in futures, even in such lines as canned goods, in which forward buying usually is extensive at this time of year.

Prices range from 15 to 17½ per cent. lower than last year's. Prospects for the second half of the year still are uncertain. City business is mending slowly, but country trade is not expected to show much immediate improvement, except in spots, because of the unsatisfactory agricultural situation.

Los Angeles Tonnage Maintained

REPORTS on the comparative volume of wholesale grocery distribution for the six-month period show that the tonnage volume is equal to and, in some cases, in excess of that for the same period of 1930. Prices average about 25 per cent. lower than last year's, and indications point to still lower ranges in most lines of groceries.

Prospects for the canning of apricots, peaches and plums are considered unfavorable, as the average crop is reported at about 50 per cent. of normal on all deciduous fruits. Chain-store operations have shown some decline in this territory, said to be due to high overhead expenses, and unfavorable conditions for selling additional stock. Retailers' stocks continue light, in view of the continual declines in merchandise values.

Demand Slower at San Francisco

THERE are 293 establishments in this city handling groceries and kindred products. Net sales during 1930 amounted to approximately \$352,864,150. Stocks on hand at the beginning of the current year amounted to around \$16,000,000. The tendency of current prices is to decline; and sales show a decrease of about 5 per cent., as compared with those for the first six months of 1930.

The present slowing-up of demand is said to be due to the general anticipation of still further price reductions in some staple items. In many instances, products in the foodstuffs group are selling below the actual cost of manufacture.

Upturn in Stock-Buying Sweeping and Strong

Net Gain in Pivotal Issues Range from 3 to 12 Points, with Steel Passing Par—Revival Spreads to Bonds

STOCK and bond markets in New York, together with those in every other primary financial center in the world, have moved upward in an almost uninterrupted and, at times, exciting advance this week, owing to the remarkably favorable reaction to the proposal by President Hoover for a one-year suspension of payments on reparations and the debts of the former Allied Governments to the United States. The upswing began last Saturday, after a week of desultory and extremely quiet markets. Intimations that a debt plan was under consideration in Washington occasioned an immediately favorable response. Notwithstanding the short session, stocks bounded forward in the most vigorous market of more than a year and a half. The advance was resumed with even greater enthusiasm Monday, and it has continued almost all week. There was a reaction Tuesday on the news that reservations would be made to the Hoover proposal by the French Government, but the profound importance attached in the financial district to the project was again, illustrated in subsequent sessions, when the entire market for securities moved energetically upward.

Moratorium Plans Produce Revival

The Hoover pronouncement was directly responsible for the upswing, which has been aided, however, by the excellent effects also caused in commodity markets and by the gain in business confidence. Industrial stocks were helped by announcements that prices of cigarettes and tires would be advanced, while copper shares gained markedly on a price increase in the metal. Indicative of the mood of the market was the lack of importance attached to a reduction of the Pennsylvania Railroad dividend from 8 to 6 per cent. annually. All groups of stocks bounded upward, with advances in leading issues in single sessions as much as six to eight

points. The sustained advance brought United States Steel common over par again Wednesday for the first time since May 21. Other issues that registered large gains were American Can, General Electric, Westinghouse, American Telephone, Auburn Auto, General Motors, Western Union, Atchison, Baltimore & Ohio, Union Pacific, Southern Pacific, New York Central, Allied Chemical and Case Threshing Machine. In contrast with average sales of hardly more than 1,000,000 in the sessions of last week, transactions this week have consistently expanded, reaching more than 5,000,000 shares in several full periods.

Marked Gain in Foreign Bonds

Bond dealings also were heavy, with the same influences apparent. Foreign dollar bonds were in the van of the movement, with German issues especially sought. Both the Federal and corporation issues of the Reich advanced two, three and four points daily, while other Central Europeans, Latin Americans and Australians also gained. In the domestic corporation list, most issues moved upward by easy stages. Only United States Government bonds showed any uncertainty, and this was due to apprehensions regarding the possible effects of the debt suspension on the Treasury position. Small recessions resulted in Treasury and Liberty bonds.

Daily transactions in stocks and bonds on the New York Stock Exchange compare with last year as follows:

Week Ending June 15, 1931	Stocks—Shares		Bonds	
	This Week	Last Year	This Week	Last Year
Friday	1,100,000	3,656,500	\$8,958,000	\$11,200,000
Saturday	1,508,100	1,966,600	6,984,000	4,840,000
Monday	4,600,000	3,836,400	13,474,000	9,438,000
Tuesday	2,600,000	2,866,000	13,556,000	9,639,000
Wednesday	5,100,000	3,395,500	12,806,000	12,150,000
Thursday	4,500,000	2,272,100	11,217,000	9,163,000
Total	19,408,100	17,993,100	\$66,995,000	\$56,430,000

Grains Turn Downward After Early Gain

Weather Reports and New Crop Offerings Negate Impetus Given War Debt Action—Higher Prices in Prospect

THE speculative impetus given the Chicago grain market by the announcement of the Hoover moratorium plan spent itself somewhat by mid-week, and the course of prices turned downward. Most of the quotations, however, showed good net gains for the first four days of trading.

Wheat soared 1½c. to 2½c. on Monday, chiefly on the moratorium news, and reports of continued crop damage in the Canadian Northwest. Profit-taking and a denial of the rumor that the Farm Board would keep its holdings out of the market brought a dip the next day of 1½c. to 1¾c., but prices headed up again on Wednesday and recovered most of the loss. Free offerings of new crop wheat proved too much for the bull party on Thursday, in conjunction with the return of weakness to the stock market, and losses ranged from 1c. to 1¼c. Recent moisture was reported to have improved Spring wheat conditions in the domestic Northwest considerably, but Canadian reports continued bad. Private cables also told of a 30 per cent. cut in Argentine acreage.

Corn gained 1c. to 1½c. in the Monday upturn, but more than cancelled the gain the next day. The Wednesday advance ranged from ¾c. to 1¾c., and the yellow grain held fairly firm on Thursday. Growing conditions in the corn belt were good, the hot weather coming after extensive rains in Illinois.

Oats made its widest move Monday, with an advance of around 1c., and thereafter swung within a fractional range, according to the trend in wheat. Rye showed the smallest Monday gain of all the grains. Tuesday it broke 1¼c. to 1½c. and seesawed thereafter. Reports from Illinois sug-

gested that high temperatures had affected the oats crop a little.

The United States visible supply of grains for the week, in bushels, was: Wheat, 189,735,000, off 3,141,000; corn, 7,642,000, off 1,276,000; oats, 7,749,000, off 391,000; rye, 9,345,000, off 93,000; and barley, 4,030,000, off 168,000.

	Fri.		Sat.	Mon.	Tues.	Wed.	Thurs.
	June 19	June 20	June 21	June 22	June 23	June 24	June 25
WHEAT:							
July	55½	57½	59½	57½	58½	57½	57½
September	56½	58½	60½	58½	59½	58½	58½
December	60½	62½	64½	62½	63½	62½	62½
CORN:							
July	56½	58½	59½	58	58½	58½	58½
September	52½	55½	57½	56	57	56½	56½
December	46½	49½	50½	49½	50½	50½	50½
OATS:							
July	25½	26½	27½	26½	27½	27½	27½
September	20½	21½	22½	21½	22½	22½	22½
December	28½	29½	30½	30½	30½	30½	30½
RYE:							
July	37½	38½	39½	37½	38½	37½	37½
September	39	40½	41	39½	40½	39½	39½
December	41½	43½	44½	42½	43½	43½	43½

The grain movement each day is given in the following table, with the week's total, and comparative figures for last year:

	Wheat		Flour		Corn	
	Western Receipts	Atlantic Exports	Atlantic Exports	Western Receipts	Western Receipts	Western Receipts
Thursday	751,000	137,000	9,000	289,000		
Friday	685,000	145,000	6,000	373,000		
Saturday	882,000	970,000	2,000	463,000		
Monday	1,024,000	96,000	11,000	465,000		
Tuesday	615,000	176,000	31,000	455,000		
Wednesday	917,000	484,000	1,000	651,000		
Total	4,874,000	2,008,000	60,000	2,696,000		
Last year	4,802,000	1,422,000	62,000	2,656,000		

Estimate of 1931 Cotton Acreage

(Continued from page 5)

Columbus, Ga.—Acreage planted to cotton will show a reduction of at least 12½ per cent. from last year. Reductions range from .01 per cent. to as high as .40 per cent., depending on location and availability of other crops. The extreme Southern counties show a much greater percentage of decrease as compared with those in middle or north Georgia. There is an indicated reduction of fertilizer used of from 20 per cent. to 45 per cent., the average being about 35 per cent. Weather and prevailing growing conditions so far this year indicate a decrease of weevil damage compared with last year.

Savannah.—About 10 per cent. less acreage was planted in cotton this year, while 25 to 30 per cent. less fertilizer was used and of a lower grade. This condition applies practically throughout the State. There has been very little rainfall this season.

Montgomery, Ala.—There are many conflicting opinions regarding the cotton acreage this year, but it is likely the acreage will be reduced 7 or 8 per cent. There is a considerable acreage planted to food crops this year and also a good acreage of "new ground" cleared and planted. More people are farming than in 1930.

Memphis.—Estimates on planting of cotton acreage, received from various sources, range from unchanged to a reduction of 6 or 8 per cent. From the best-posted sources, they average below 5 per cent. There is practically no difference in the changes in the hill or delta sections. Cultivation has been better than usual under favorable soil and labor conditions, and this territory is in better shape from that standpoint than in many years, which may help offset small acreage reduction.

Nashville.—There are many counties in this district in Tennessee where no cotton is grown. A carefully prepared estimate covering forty counties in the central part of the State shows a reduction this year in the acreage planted to cotton of 14.7 per cent. In northern Alabama the reduction is 9.8 per cent.

Knoxville.—The acreage sown to cotton in this district will be between 10 and 15 per cent. less in 1931 than in 1930.

Meridian, Miss.—Sale of fertilizer decreased this year fully 50 per cent. compared to 1930, and the acreage planted in cotton indicates a decrease. This year's cotton crop is two weeks behind time, and stands are poor.

New Orleans.—The cotton crop in this district, which comprises about 70 per cent. of Louisiana, and 50 per cent. of Mississippi, will show a decrease in acreage this year of 12 to 15 per cent. The crop is from two to four weeks late, and the plant is still small. A considerable part of the land not planted in cotton was used for corn and other products, hence the decrease in cultivated land appears to be quite small.

All crops are now being grown at the smallest cost during recent years. Tenant farmers were obliged to get along this year on a very small allowance, and one planter from a large cotton growing parish recently stated that if he received as much as 7c. for his cotton, that he and his tenant would break about even, and that any price in excess of 7c. would

indicate profits there. There has been very little money in circulation in the rural districts this year, and when crops are finally marketed, it is generally believed that farmers will be able to pay their debts and have a surplus.

Shreveport.—Estimates of reduction in cotton acreage in this territory vary considerably, but the average will be from 12 to 15 per cent. The use of fertilizer by cotton growers in this section for the current year is not considered more than half the amount used last year.

Dallas.—Reports received from various sources indicate an acreage reduction of from 10 to 12 per cent. under that of last year. Due to unseasonable weather, the crop is two weeks to one month late, according to localities. The mild Winter did not leave conditions entirely satisfactory.

Houston.—In this district, in south and east Texas, the cotton acreage sown this year is generally believed from 10 to 12 per cent. under the acreage of 1930.

Fort Worth.—It is estimated that the total acreage planted to cotton this year in this district in west Texas will show a decrease of from 10 to 12 per cent. from last year's planting.

Wichita Falls.—

The cotton acreage in this section is about 10 per cent. short of last year and cotton is now about three weeks late.

Waco.—Cotton acreage in this district amounted to 2,000,000 acres for 1930 and the reduction this year will be 18 or 20 per cent.

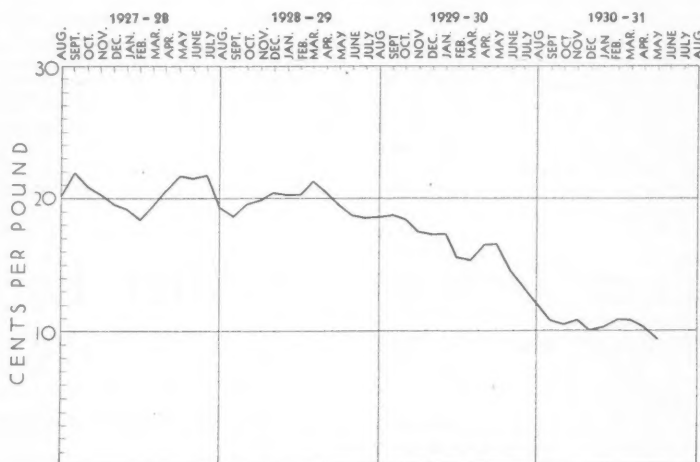
San Antonio.—Most of the cotton in this territory is raised in the belt starting northwest of San Antonio and extending southeast to the Gulf. The Rio Grande Valley and counties farther up the river to the northwest are gradually decreasing their cotton acreage, devoting their efforts principally to citrus

fruits, truck and plants. The section immediately adjoining the Rio Grande Valley, from Del Rio southeast, including the Valley, apparently has reduced its acreage around 40 per cent. this year. However, this is only a small percentage of the acreage planted in this section. Bexar and immediate counties report a reduction of around 15 per cent. Sections in and around Corpus Christi report a slight increase. Travis County, which embraces Austin, and surrounding territory, reports a decrease of 10 to 12 per cent. Taking this section as a whole, it is estimated that the reduction, as compared with 1930, will be 10 to 12 per cent.

El Paso.—For the year 1930, there were 106,865 acres of cotton planted. This showed a decrease in acreage over the year 1929 of approximately 8.5 per cent. It is estimated that this year about 96,500 acres were planted in cotton. This represents a decrease of about 10 per cent. compared with 1930.

Pine Bluff.—The belief here is that a reduction of from 12 to 17½ per cent. has been made in the acreage planted in cotton this year, as compared with that of 1930. The plant is small, due to cool nights, which has retarded the development and it is estimated that the crop is about three weeks late. The crop has been planted at a cost that has been the lowest for several years.

Monthly Average Price Spot Cotton at New York *



* Based on quotations compiled by the Statistical Department of the New York Cotton Exchange

Favorable Factors for Steel Revival Gain

(Continued from page 11)

reported. Merchant producers are adhering to regular quotations on malleable, Bessemer and foundry at \$17.50, Pittsburgh, furnace. Consumers have not demonstrated any active buying interest in scrap, though one or two good-sized transactions have been noted, and dealers are stocking up at present values. No marked reaction has yet materialized, though the bottom level is believed touched at around \$10, Pittsburgh, for heavy melting steel; this is the lowest price in years. The coal strike has not generally influenced the coke market, furnace coke remaining at \$2.40, at oven.

Revival of Rail Buying at Chicago

A moderate revival of rail equipment buying was insufficient this week to prevent a further contraction in output for the area, the ingot ratio falling to between 35 and 36 per cent. Orders were booked for 800 steel underframes, with new inquiry expected soon for a maximum of 2,000 underframes. Another order closed was for 200 refrigerator cars. New orders for steel rails involved 1,000 tons and specifications against old contracts, 5,000 tons. Inquiry also appeared for 3,000 tons of steel for oil storage purposes.

Sheet mills were operating at 40 per cent. in the district, and rail mills at 35 per cent. Official prices for third-quarter sheets were advanced \$2 to \$3 a ton, in line with last week's schedules announced by an independent producer. Orders for shapes and plates are being booked for third-quarter delivery at unchanged prices, indicating a continuation of the present schedules.

Ruling prices were: Pig iron, \$17.50; rail steel bars, \$1.60 to \$1.65; soft steel bars, \$1.70 to \$1.80; and shapes and plates, \$1.70 to \$1.80.

Cleveland Expects Further Cut

Steel production here during the Spring presented some unevenness. Certain commodities started out with a growing demand, but soon experienced a recession more or less acute. The movement of some other products was wavy. The strongest supports of the industry, as a whole, were the automobile and structural steel manufacturers. At this time, producers are expecting a fairly steady demand for construction materials well into the Summer. The automobile output already has begun to experience a seasonal decline, and from now on a gradual tapering off is anticipated. The railroads have not consumed their usual proportion of tonnage, the volume of which is quite below the general range made during the past eight years.

In the early part of Spring, the production of pig iron in this district was at a rate nearly equal to last year's, but there has since been a gradual decline, and at this time about 55 per cent. of the mills and furnaces are active. Steel ingots followed closely the trend of the pig iron market. Heavy finished and semifinished steel presented a fairly even run, but orders for pipe are slower. Sheets and other

flat-rolled lines present considerable variation, and there is a tendency toward weakening in prices.

The scrap market was fairly steady in the early Spring, but more recently reacted sharply. Receipts of iron ore from the upper lakes region this year so far are approximately 20 per cent. of what they were during the same period of last year, but the difference is being gradually narrowed, with the advance of the season. There still is a large quantity of ore on the lower Lake Erie docks left over from last year's receipts. The outlook for the industry in general for the balance of the Summer is toward a further easing up, with a gradual decline in the demand, and a further softening of prices.

Reading Blast Furnaces Closing

Although local pig iron prices are about 10 per cent. below the level of 1929, they are not entirely unsatisfactory, in view of the 25 per cent. decline from the 1929 volume. Prices of genuine wrought iron pipe and bars are satisfactory, being practically on the same level as they were in 1929, with no apparent attempt to depress them. Demand, however, is about 40 per cent. of the 1929 record.

Sales of charcoal iron boiler tubes are about 60 per cent. of the 1929 total, with the price situation static, as this is a non-competitive line. There is almost no call for castings and machinery, and prices are below cost of production, in most cases. As nearly all the blast furnaces have shut down, the ore mines at Dover have been closed, despite the quite satisfactory price level.

Insolvencies Again Further Reduced

THE insolvency record of the United States again discloses a further improvement for this week, total defaults reported to R. G. DUN & Co. for the six days numbering 422. This statement is better than appeared last week, when failures numbered 467, while the previous week showed 474 insolvencies. A year ago, when the commercial mortality was comparatively heavy, 490 defaults occurred. With this week's report showing a smaller total than last week as well as a year ago, decreases appear from last week's figures in the South, the West, and for the Pacific Coast States.

Numbering 53, Canadian failures this week are somewhat more numerous than in the preceding weeks, last week's total being 34, while there were 46 insolvencies reported to R. G. DUN & Co. a year ago.

SECTION	Week June 25, 1931		Week June 18, 1931		Week June 11, 1931		Week June 26, 1930	
	Over \$5,000	Total	Over \$5,000	Total	Over \$5,000	Total	Over \$5,000	Total
East	78	155	79	144	77	156	141	207
South	52	90	61	115	64	114	47	92
West	77	117	90	138	96	133	68	120
Pacific	33	60	31	70	31	71	31	71
U. S.	240	422	261	467	268	474	287	490
Canada	28	53	13	34	14	30	24	46

FRANK G. BEEBE
President

SAMUEL J. GRAHAM
Sec'y & Treas.

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DIVIDEND NOTICE

ANACONDA COPPER MINING CO.

25 Broadway, New York, June 25, 1931
DIVIDEND NUMBER 112

The Board of Directors of the Anaconda Copper Mining Company has declared a dividend of Thirty-seven and one-half Cents (37½c.) per share upon its Capital Stock of the par value of \$50 per share, payable August 17th, 1931, to holders of such shares of record at the close of business at 12 o'clock, Noon, on July 11th, 1931.

A. H. MELIN, Secretary.

Canadian Trade

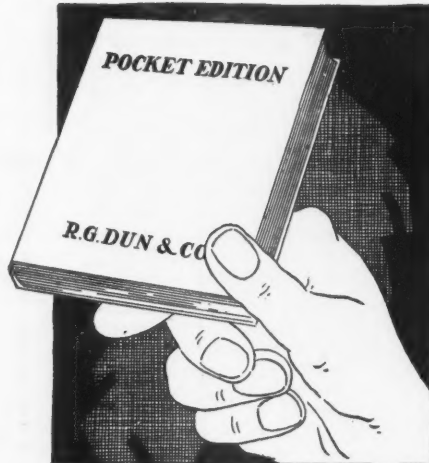
THE budget announcement has removed business uncertainty as to tariff and taxation changes, so that the commercial outlook now turns on the Western crop position, which is reported to be seriously menaced by the absence of moisture reserves over large areas. In the dried out districts in the southern part of Saskatchewan, farmers are beginning to abandon their fields, and a movement to the northern part of the Province is noted, according to dispatches to DUN'S REVIEW from branch offices of R. G. DUN & Co. located in the chief commercial and industrial centers of the Dominion. The freer flow of wheat for export continues to be one of the bright spots in the current situation. The greater attention being given to dairy farming also is aiding the country, apparent in the notable decrease in the imports of

dairy products and the increasing exports of butter and cheese.

During the past week, the favorable weather afforded merchants an opportunity to test the public buying power, with fair results. High-class merchandise at extremely low prices, in comparison with those ruling a year ago, were not always sufficient to induce patronage, although reasonable goods moved freely and occasionally retailers went ahead of last year's sales totals. Staple foodstuffs are reported to be moving well, but fancy grocery sales are off 59 per cent. Agricultural implement and machinery demand is poor. A fair business still prevails in electrical supplies. Construction machinery is dull, with contractors favoring rented equipment. Retail hardware is satisfactory, except in rural districts, and paint and allied goods have sold well. Jewelers are beginning to feel the effects of the Summer tourist traffic.

Order Blank and Price List

<input type="checkbox"/>	Alabama	\$8
<input type="checkbox"/>	Alaska	7
<input type="checkbox"/>	Arizona	5
<input type="checkbox"/>	Arkansas	6
<input type="checkbox"/>	California	10
<input type="checkbox"/>	Colorado	6
<input type="checkbox"/>	Connecticut	7
<input type="checkbox"/>	Delaware	5
<input type="checkbox"/>	Dist. of Col.	5
<input type="checkbox"/>	Florida	7
<input type="checkbox"/>	Georgia	7
<input type="checkbox"/>	Idaho	5
<input type="checkbox"/>	Illinois	17
<input type="checkbox"/>	W/out Chicago ..	10
<input type="checkbox"/>	Chicago	7
<input type="checkbox"/>	Indiana	7
<input type="checkbox"/>	Iowa	7
<input type="checkbox"/>	Kansas	7
<input type="checkbox"/>	Kentucky	7
<input type="checkbox"/>	Louisiana	7
<input type="checkbox"/>	Maine	5
<input type="checkbox"/>	Maryland	7
<input type="checkbox"/>	Massachusetts ..	16
<input type="checkbox"/>	W/out Boston ..	10
<input type="checkbox"/>	Boston	6
<input type="checkbox"/>	Michigan	10
<input type="checkbox"/>	Minnesota	7
<input type="checkbox"/>	Mississippi	6
<input type="checkbox"/>	Missouri	14
<input type="checkbox"/>	W/out St. Louis ..	8
<input type="checkbox"/>	St. Louis	6
<input type="checkbox"/>	Montana	5
<input type="checkbox"/>	Nebraska	7
<input type="checkbox"/>	Nevada	5
<input type="checkbox"/>	New Hampshire ..	8
<input type="checkbox"/>	New Jersey	5
<input type="checkbox"/>	New Mexico	5
<input type="checkbox"/>	New York, with- out N. Y. City ..	10
<input type="checkbox"/>	North Carolina ..	7
<input type="checkbox"/>	North Dakota	5
<input type="checkbox"/>	Ohio	12
<input type="checkbox"/>	Oklahoma	7
<input type="checkbox"/>	Oregon	6
<input type="checkbox"/>	Pennsylvania	17
<input type="checkbox"/>	Without Phila- delphia	10
<input type="checkbox"/>	Philadelphia	7
<input type="checkbox"/>	Rhode Island	5
<input type="checkbox"/>	South Carolina ..	6
<input type="checkbox"/>	South Dakota	5
<input type="checkbox"/>	Tennessee	7
<input type="checkbox"/>	Texas	10
<input type="checkbox"/>	Utah	5
<input type="checkbox"/>	Vermont	5
<input type="checkbox"/>	Virginia	7
<input type="checkbox"/>	Washington	7
<input type="checkbox"/>	West Virginia	7
<input type="checkbox"/>	Wisconsin	7
<input type="checkbox"/>	Wyoming	5



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